

HOV SERVICES LIMITED (Consolidated)

Unaudited Consolidated Financial Results for the quarter and nine months ended on 31st December, 2008

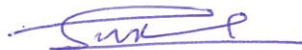
(Rs in Lakhs)

Particulars	Three months ended December 31,		Nine months ended December 31,		Previous year ended March 31,
	2008	2007	2008	2007	2008
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income					
(a) Income from Operations	23,469.97	20,876.47	67,077.33	63,602.58	83,351.10
(b) Other Operating Income	116.19	521.19	258.29	3,876.81	3,100.31
	23,586.16	21,397.66	67,335.62	67,479.39	86,451.41
2. Expenditure					
(a) Employees cost	11,519.34	10,947.98	30,124.50	31,222.87	40,360.69
(b) Depreciation	518.16	395.63	1,528.48	1,264.93	1,697.76
(c) Other expenditure	8,906.88	7,901.53	29,027.08	25,981.18	35,134.74
(d) Total	20,944.38	19,245.14	60,680.06	58,468.98	77,193.19
3. Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	2,641.78	2,152.52	6,655.56	9,010.41	9,258.22
4. Other Income	10.45	16.58	48.09	63.08	4,348.37
5. Profit before Interest & Exceptional Items (3+4)	2,652.23	2,169.10	6,703.65	9,073.49	13,606.59
6. Interest	1,335.79	1,352.79	3,541.30	3,783.38	5,092.62
7. Profit after Interest but before Exceptional Items (5-6)	1,316.44	816.31	3,162.35	5,290.11	8,513.97
8. Tax expense	136.17	52.43	375.43	238.60	293.93
9. Net Profit (+)/Loss(-) from Ordinary Activities after tax (7-8) & Before Minority Interest	1,180.27	763.88	2,786.92	5,051.51	8,220.04
10. Minority Interest	(10.53)	(164.80)	76.73	(242.59)	2,775.86
11. Net Profit (+)/Loss(-) for the period (9-10)	1,190.80	928.68	2,710.19	5,294.10	5,444.18
12. Paid-up equity share capital (Face Value Rs.10 each)	1,255.40	1,255.40	1,255.40	1,255.40	1,255.40
13. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	14,290.31
14. Earnings Per Share (EPS)					
(a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	9.49	7.40	21.59	42.17	43.37
(b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	9.49	7.40	21.59	42.17	43.37
15. Public shareholding					
- Number of shares	5,606,114	5,606,114	5,606,114	5,606,114	5,606,114
- Percentage of shareholding	44.66	44.66	44.66	44.66	44.66

Notes:

- a) The consolidated financial statements of HOV Services Ltd. (HOVS) and its domestic and foreign subsidiaries are prepared in accordance with Accounting Standard (AS) 21 on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. The current quarter figures have been reviewed by the Auditors of the Company and with regard to the financial results of the subsidiaries consolidated hereinabove, by the auditors of the respective subsidiary companies.
- b) The above consolidated results were reviewed by the Audit Committee and were taken on record at the Board Meeting held on January 31, 2009.
- Effective 1st April, 2008, the operations of the foreign subsidiaries are being considered non-integral and accordingly in compliance with AS 11 relating to 'Changes in Foreign Exchange rates', the non-monetary items are translated at the closing exchange rates and the resultant exchange profit / loss has been included in translation reserve as against hitherto being included in the profit & loss account.
- 'Status of Investor Complaints for the quarter ended December 31, 2008:
Complaints pending at the beginning of the quarter- Nil; Complaints received during the quarter- 4; Complaints disposed off during the quarter - 4; Complaints at the end of the quarter- Nil.
- The Company is engaged in the BPO business of Finance and Accounting Sector. Accordingly there are no separate reportable segments as per Accounting Standard 17 on "Segment Reporting" issued by The Institute of Chartered Accountants' of India.
- Previous periods figures are regrouped wherever necessary to conform to current period's presentation.

For HOV Services Limited



Surinder Rametra
Chairman & Executive Director



Place: Mumbai
Date: January 31, 2009

Unaudited Financial Results for the quarter and nine months ended on 31st December, 2008

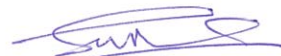
(Rs.in lakhs)

Particulars	Three months ended December 31,		Nine months ended December 31,		Previous year ended March 31,
	2008	2007	2008	2007	2008
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1. Income					
(a) Income from Operations	95.23	150.00	349.56	477.39	622.83
(b) Other Operating Income	2.68	-	23.25	0.00	1.16
	97.91	150.00	372.81	477.39	623.99
2. Expenditure					
(a) Employees cost	79.57	75.30	261.01	170.41	243.10
(b) Depreciation	8.88	3.43	29.16	13.22	16.51
(c) Legal and Professional fees	32.02	9.72	46.64	24.89	43.43
(d) Other expenditure	41.02	54.69	114.76	173.80	213.36
(e) Total	161.49	143.14	451.57	382.32	516.40
3. Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	(63.58)	6.86	(78.76)	95.07	107.59
4. Other Income	0.05	0.03	5.09	1.67	1.73
5. Profit before Interest & Exceptional Items (3+4)	(63.53)	6.89	(73.67)	96.74	109.33
6. Interest	-	-	-	0.17	1.29
7. Profit after Interest but before Exceptional Items (5-6)	(63.53)	6.89	(73.67)	96.57	108.03
8. Exceptional Items	-	-	-	-	-
9. Profit (+)/ Loss (-) from Ordinary Activities before tax (7+8)	(63.53)	6.89	(73.67)	96.57	108.03
10. Tax expense	2.46	1.14	12.91	13.96	15.10
11. Net Profit (+)/Loss(-) from Ordinary Activities after tax (9-10)	(65.99)	5.76	(86.58)	82.61	92.94
12. Extraordinary Item (net of tax expense Rs.Nil)	-	-	-	-	-
13. Net Profit (+)/Loss(-) for the period (11-12)	(65.99)	5.76	(86.58)	82.61	92.94
14. Paid-up equity share capital (Face Value Rs.10 each)	1255.40	1255.40	1255.40	1255.40	1255.40
15. Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	6869.36
16. Earnings Per Share (EPS)					
a. Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year(not to be annualized)	(0.53)	0.05	(0.69)	0.66	0.74
b. Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year(not to be annualized)	(0.53)	0.05	(0.69)	0.66	0.74
17. Public shareholding					
- Number of shares	5606114	5606114	5606114	5606114	5606114
- Percentage of shareholding	44.66	44.66	44.66	44.66	44.66

Notes:

- The above results were reviewed by the Audit Committee and taken on record at the Meeting of Directors held on January 31, 2009.
Results for the current and previous quarters have been reviewed by the Auditors of the company.
- The Company is engaged primarily in the BPO business of Finance and Accounting Sector. Accordingly there are no separate reportable segments as per Accounting Standard 17 on "Segment Reporting" issued by The Institute of Chartered Accountants of India.
- Status of Investor Complaints for the quarter ended December 31, 2008:
Complaints pending at the beginning of the quarter- Nil; Complaints received during the quarter- 4; Complaints disposed off during the quarter - 4; Complaints at the end of the quarter- Nil.
- Previous periods figures are regrouped/rearranged wherever necessary.

For HOV Services Limited


 Surinder Rametra
 Chairman & Executive Director

 Place: Mumbai
 Date: January 31, 2009
